



DEPARTMENT OF THE NAVY
NAVSUP FLEET LOGISTICS CENTER NORFOLK
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NORFOLK VA 23511-3392

IN REPLY REFER TO
240A
19 May 2016
J&A#16021

JUSTIFICATION & APPROVAL
OTHER THAN FULL AND OPEN COMPETITION
(SOLE SOURCE)

1. Requiring and Contracting Activity:

Requiring Activity: Commander, U.S. Naval Forces Central Command
(COMUSNAVCENT)
PSC 901 BOX 60
FPO, AE 09805

Contracting Activity: Commanding Officer
NAVSUP Fleet Logistics Center Norfolk (FLCN)
Contracting Department, Code 200
Norfolk, Virginia 23511-3392

Requisition Number: N5700716RCZN611

2. Description of the Action Being Approved: This is a sole source to award a firm fixed price contract for commercial information technology supplies to Pacific Star Communications, Inc. (PACSTAR).

3. Description of Supplies/Services: COMUSNAVCENT requires the procurement of six (6) PACSTAR Fly Away Kits (FAKS). The FAKS are comprised of PACSTAR-branded hardware, middleware, and proprietary software as well as supplies manufactured by other companies which PACSTAR integrates into the FAK. The FAKs are deployed on US and coalition naval vessels to permit secure communication over the Battlefield Information Collection and Exploitation Systems (BICES) communication network. The total estimated dollar value of this acquisition is

4. Statutory Authority Permitting SOLE SOURCE: 41 USC 1901- a sole source acquisition under the authority of the test program for certain commercial items, as implemented by FAR 13.501(a).

5. Rationale Justifying Use of Cited Statutory Authority: The proposed contract action is to acquire the BICES FAKs from the sole manufacturer/integrator, PACSTAR. PACSTAR is the only known manufacturer/integrator of secure communications equipment with authority to operate with the BICES coalition communications network. Specifically, PACSTAR is the only known company which is able to provide the i2 Core Tactical Nodal Software, which is an Office of the Under Secretary for Defense for Intelligence (OUSD (I)) Program Management Office (PMO) enterprise management requirement. The hardware, firmware, middleware and software furnished must integrate and be interoperable with the communications equipment,

software and network currently in use in the theater of operations.

Additionally, there are multiple sets of BICES FAKs, server modules and switch modules currently in-use in the 5th and 6th Fleet areas of responsibility. The standardization of equipment provides a more stable and predictable environment for Communications Officers and Commanders from the tactical to the Fleet-level. The standardization negates the need for re-training uniformed personnel and permits the transfer of either whole kits or components in the event of a casualty. Standardization also provides a history and background for the PACSTAR remote support team to be familiar with errors experienced in these AORs and their ability to remotely recognize and correct the error.

PACSTAR does have partners/resellers which can quote the items required, however, experience has shown that PACSTAR coordinates the quotes for the FAKs and submits the lowest quote. The partners/resellers have more opportunity when quoting standard switches, routers and software maintenance plans rather than the FAKs integrated communications suite of tools for use with BICES. There is no known partner/reseller affiliated with PACSTAR which advertises the FAKs or has the stand-alone capability to assemble and integrate the components into a kit.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable: A Sources Sought Notice was posted to FEDBIZOPPS and NECO on 24 May 2016 with a closing date of 26 May 2016. No responses were received in reply to the notice. The synopsis required by FAR 5.201 will be published on the Government-wide point of entry as intent to negotiate on a sole source basis to Pacific Star Communications, Inc. 15055 SW Sequoia PKWY, Ste 100, Portland, OR, however, the synopsis shall state: "All responsible sources may submit a quote which shall be considered by the agency."

7. Determination of Fair and Reasonable Cost: A determination of fair and reasonableness of price will be based on the Contracting Officer's price analysis of the contractor's quote and/or a comparison of previous pricing history and published price list of the same or similar items in accordance with FAR 13.106-3.

8. Actions to Remove Barriers to Future Competition: The requiring activity and contracting activity conducted market research among GSA schedule holders and open market vendors. The requiring activity certifies that the requirement can be met by a commercial item. Market research results from four previous sole-source procurements for virtually the same items were also reviewed (contract numbers N00189-16-P-0610, N00189-16-P-0217, N00189-15-P-1147, and N00189-15-P-0216).

Mandatory and preferred sources were reviewed. The items are not available from any mandatory source. Of the 12 lines items required, three are available via PACSTAR's GSA schedule. One contract awarded by the Army was identified via shared contract directory, however, this contract was for software and software support only.

The Contract Specialist utilized Google's FPDS-NG ezSearch tool in an attempt to discover other sources. The ezSearch results revealed that 116 of 132 awards made for PACSTAR-branded equipment by DOD were issued to PACSTAR; the remaining 16 awards were issued to PACSTAR Federal Partners under the Army's CHESS multiple award contract (MAC), the Air

Forces AFWay NETCENTS-2 MAC or DISA's MAC. The Navy is permitted to order only under the CHES ITES-2H (Hardware) contracts. A search of the ITES-2H prime vendors' catalogs indicated the items required are not available through this contracting vehicle. The Contract Specialist contacted PACSTAR on 13 May 2016 and confirmed the kits required by NAVCENT were not available under a GSA schedule, NASA SEWP or any of the DOD ESI ordering vehicles.

The Small Business Administration's Dynamic Small Business Search tool was utilized as another means of discovering potential sources. The Quick Market Search tool returned zero results when Pacific Star Communications and PACSTAR were used as keywords. The only result returned using the Dynamic Small Business search was PACIFIC STAR COMMUNICATIONS, INC.

The conclusion drawn from the compendium of market research is at this time there is only one source that can provide the requested items in an integrated fly-away kit. A fresh review of the market will be made in future procurements for the same or similar items and if other sources become available, a solicitation will be publically posted and a competitive award will be made.

9. CONTRACTING POINT OF CONTACT: The point of contact at NAVSUP Fleet Logistic Center Norfolk is Thomas Armstrong, who can be reached at (757) 443-3115 or by email at thomas.armstrong@navy.mil.